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Agricultural Marketing Service

Poultry Programs

Market News Branch

U.S. Poultry Outlook

The outlook for poultry meat trade remains clouded due to proposed measures by Russia and Mexico to limit imports. Russia has introduced legislation that will place a quota on imports of poultry products by April 1, 2003. Although there are indications that the quota will be based on a quarterly distribution, the method and size of the allocations have not been specified.

In Mexico, tariff rate quotas (TRQs) for poultry products were reduced to zero at the beginning of 2003, as provided for by the North American Free Trade Agreement (NAFTA). However, the Mexican and U.S. Governments are discussing possibly placing TRQs on specific broiler products to assuage fears of a large increase in broiler shipments to the border.

From January to November 2002 there was a drop of almost \$500 million in U.S. poultry exports, largely to Russia, Hong Kong, and Mexico.

Source: USDA/ ERS

U.S. Exports of Turkey Cuts in metric tons

	January - November			
	2001	2002	Nov-01	Nov-02
Canada	2,672	2,333	326	377
China	4,221	6,489	410	775
Hong Kong	13,978	27,671	1,465	1,864
Mexico	82,828	73,789	9,295	5,159
Other World	45,292	41,622	3,194	4,129
Russia	30,198	11,480	1,420	205
Grand Total	179,189	163,385	16,110	12,509

U.S. Exports of Broiler Cuts in metric tons

	January - November			
	2001	2002	Nov-01	Nov-02
Canada	56,854	63,576	5,953	6,407
China	43,653	66,052	5,193	9,875
Hong Kong	305,592	250,719	25,134	15,845
Mexico	153,074	134,085	17,349	10,793
Other World	719,769	800,482	52,871	96,399
Russia	965,091	663,342	114,532	53,598
Grand Total	2,244,034	1,978,256	221,033	192,917

Table Egg Exports in '000 dozens

	January - November			
	2001	2002	Nov-01	Nov-02
Canada	17,129	15,092	2,278	1,912
Mexico	1,536	1,040	131	43
Hong Kong	22,410	21,238	2,052	1,115
Japan	1,995	1,721	384	511
World Total	46,643	43,614	5,831	4,949

Source: USDA/FAS

Brazil

Brazil's Minister of Agriculture and Livestock received reports noting strong exports of poultry and pork in 2002. The president of the Brazilian Association of the Exporters of Poultry (ABEF) said Brazil exported 1.6 million metric tons (mmt) of chicken meat, with a value of US\$1.4 billion. In 2002 Brazil produced 7.5mmt, 5.9mmt for the domestic market and 1.6mmt for export markets. Brazil is focusing on China and Canada as new markets for Brazilian poultry in 2003 and considers the Philippines, Indonesia, Korea and Mexico as potential markets.

In 2002 exports of poultry cuts totaled 925,544 metric tons, an increase of 38 percent from 2001. Whole poultry rose to 674,379 metric tons, up 16 percent from the previous year.

Poultry Meat (in thousand metric tons)

	1992	1999	2000	2001	2002
Production	2,727	5,526	5,977	6,736	7,500
Exports	372	771	907	1,249	1,600

Eggs (in thousand dozens)

	1992	1999	2000	2001
Production	2,199,083	2,444,984	1,662,714	1,717,866

Poultry Exports to selected countries in metric tons

Saudi Arabia	123,478	217,165	207,555	255,990
China/Hong Kong	21,642	101,522	112,593	131,688
Japan	65,890	100,541	109,270	100,573
Netherlands	481	19,966	40,802	70,424

Source: Brazil Ministry of Agriculture and Livestock

Mexico Places Emergency Tariff on Chicken Leg Quarters

Under the North American Free Trade Agreement (NAFTA), Mexican tariffs on U.S. poultry exports fell to zero. However, under NAFTA, Mexico could have imposed a "safeguard," or emergency tariff of up to 240 percent on U.S. poultry imports. Instead, Mexico will allow 50,000 metric tons of chicken leg quarters to enter Mexico duty free for six months and will impose a temporary safeguard tariff of 98.8 percent on imports of chicken leg quarters above that level. The temporary tariff is equal to the 2001 tariff level. All other U.S. poultry exports will continue to enter Mexico duty free.

Source: USDA/ USTR joint news release www.usda.gov/news/releases/2003/01/0023.htm

Japan: Changes to Import Suspensions

The import suspension of poultry and poultry products owing to the occurrence of avian influenza, originating in the U.S. states of Virginia, New York and California, was suspended recently in these states. Poultry and poultry products originating from birds raised or processed in an area within a 50 km radius around the Newcastle quarantined areas of California or Nevada are ineligible for export to Japan. For further information contact the Animal Health Division of the Agricultural Production Bureau, Ministry of Agriculture, Forestry and Fisheries (MAFF) Japan.

Source: MAFF Update number 486, January 24, 2003, USDA/FSIS Library of Export Requirements January 24, 2003.

Inspected Egg Products-U.S. & Canada Export/Import Trade**U.S. Exports to Canada, in Pounds (000) (Preliminary)**

Week Ending January 11, 2003

	2003	2002/1	2003	2002
Liquid	416	353	416	599
Frozen	0	0	0	0
Dried	0	0	0	0
Total	416	353	416	599

U.S. Imports From Canada, in Pounds (000) (Preliminary)

Week Ending January 11, 2003

	2003	2002/1	2003	2002
Liquid	37	48	78	68
Frozen	5	75	48	124
Dried	0	48	0	48
Total	42	171	126	240

Inspected Shell Eggs**U.S Exports To Canada, In 30-Dozen Cases (Preliminary)**

Week Ending January 11, 2003

	2003	2002 /1	2003	2002
Jumbo	0	0	0	0
Extra Large	0	0	0	580
Large	0	250	905	6,810
Medium	0	0	20	2,139
Ungraded	1,470	0	1,470	0
Misc	0	66	0	66
Total	1,470	316	2,395	9,595

/1 Comparable Week, to-date figures may not total due to rounding.

Source: USDA/AMS Poultry Programs, Market News Branch in cooperation with Agriculture Canada, Poultry Development Division.

LIVE POULTRY SLTRD UNDER INSPECTION W/E 11 & 18 Jan-03****Please Note That Data is for Weeks of 1/11 & 1/18****

(PRELIMINARY)

U.S. FOWL SLAUGHTERED DOMESTICALLY

	LIGHT HENS	HEAVY HENS	TTL HENS
	THOUSANDS		
HEAD	1,841	1,505	3,346
LAST WEEK 1/11/03	1,736	1,413	3,149
YR AGO 01/12/02	1,974	1,378	3,352
YR AGO 01/19/02	1,881	1,298	3,179
TO-DATE/2003	4,756	4,045	8,801
TO-DATE/2002	5,291	3,847	9,138

	LIGHT HENS	HEAVY HENS	TTL HENS
	THOUSANDS		
HEAD	350	8	358
LAST WEEK 1/11/03	425	7	432
YR AGO 01/12/02	271	8	279
YR AGO 01/19/02	423	0	423
TO-DATE/2003	944	19	963
TO-DATE/2002	894	8	902

SOURCE: AGRICULTURE CANADA, PLTRY DEVELOPMENT DIV.

TOTAL U.S. FOWL SLAUGHTERED IN THE U.S. AND CANADA

	LIGHT HENS	HEAVY HENS	TTL HENS
	THOUSANDS		
HEAD	2,191	1,513	3,704
LAST WEEK 1/11/03	2,161	1,420	3,581
YR AGO 01/12/02	2,245	1,386	3,631
YR AGO 01/19/02	2,304	1,298	3,602
TO-DATE/2003	5,700	4,064	9,764
TO-DATE/2002	6,185	3,855	10,040

SOURCE: USDA/AMS PLTRY PROGRAMS, MRKT NEWS BR.

CENTRAL REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE CENTRAL REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

EASTERN REGION MECHANICALLY SEPARATED CHICKEN

F.O.B. SHIPPER DOCK OR EQUIVALENT, PRICES NEGOTIATED FOR MECHANICALLY SEPARATED CHICKEN IN THE EASTERN REGION IN TRUCKLOT AND LESS THAN TRUCKLOT VOLUMES, CENTS PER POUND, DELIVERY WITHIN TWO WEEKS.

CHICKEN 24-JAN-2003
 — PRICES ——— VOLUME ———
 (Cents per Pound)

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

— PRICES ——— VOLUME ———
 (Cents per Pound)

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	14.00-15.50	12.00-13.00	166,800	-
WTD AVERAGE	14.75	12.72		
15-20%				
RANGE	10.00-13.00	10.00-14.00	1,527,600	612,000
WTD AVERAGE	10.41	11.50		
20% OR MORE				
RANGE	-	10.00-11.00	20,000	-
WTD AVERAGE		10.50		

* INCLUDES THE STATES of AL, AR, IA, IL, IN, KS, KY, LA, MI, MN, MO, MS, ND, NE, OK, OH, SD, TN, TX, WI

CHICKEN 24-JAN-2003
 — PRICES ——— VOLUME ———
 (Cents per Pound)

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	-	-	-	-
WTD AVERAGE				

CHICKEN, WITH SKIN ADDED

— PRICES ——— VOLUME ———
 (Cents per Pound)

FAT	FROZEN	FRESH	TOTAL	EXPORT
CONTENT				
15% OR LESS				
RANGE	14.00-15.00	13.00-13.50	912,000	742,000
WTD AVERAGE	14.35	13.35		
15-20%				
RANGE	12.00	10.50-14.50	1,016,000	-
WTD AVERAGE	12.00	11.98		
20% OR MORE				
RANGE	-	11.00	120,000	-
WTD AVERAGE		11.00		

* INCLUDES THE STATES of CT, DE, FL, GA, MA, MD, ME, NC, NH, NJ, NY, PA, RI, SC, VA, VT, WV

NATIONAL YOUNG TURKEY PARTS AND BULK MEAT, FROZEN (UNLESS SPECIFIED), CENTS PER LB., DELIVERED FIRST RECEIVERS, PART AND FULL TRUCKLOTS AS OF 24 JANUARY 2003.

The domestic market was slow on most items with a steady to instances weak undertone. Trading centered on Grade A 15% 4-8 lb. breasts at lower trending price levels. Some spot shortages of product was noted in the East due to adverse winter weather conditions, otherwise, offerings of most items were available. Demand into export channels was light to fair with interest noted from Mexico and Asia.

FRIDAY, JANUARY 24, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)	WEEKLY WTD AVG PRICE	WEEKLY VOLUME (000)
DRUMSTICKS, TOMS	16.50-18.00		17.03	444	17.02	704
WINGS FULL-CUT - TOMS		R	17.00	104	17.00	104
WINGS, V-TYPE, TOM	19.50		19.50	156	19.30	260
TAILS						
MECHANICALLY SEPARATED 2/	16.00		16.00	80	13.73	756
THIGH MEAT - FROZEN		W	45.10	744	45.10	744

THURSDAY, JANUARY 23, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	16.50		16.50	208
WINGS FULL-CUT - TOMS	17.00		17.00	104
WINGS, V-TYPE, TOM	19.00		19.00	104
TAILS				
MECHANICALLY SEPARATED 2/		W	13.00	624
THIGH MEAT - FROZEN		W	45.10	744

WEDNESDAY, JANUARY 22, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS		T	19.00	52
WINGS FULL-CUT - TOMS		R	17.00	120
WINGS, V-TYPE, TOM		F	19.30	260
TAILS				
MECHANICALLY SEPARATED 2/	13.00		13.00	624
THIGH MEAT - FROZEN	43.00-57.00		45.10	744

TUESDAY, JANUARY 21, 2003**EXPORT TRADING**

	PRICE RANGE	L.S.T. CODE 1/	WTD AVG PRICE	VOLUME (000)
DRUMSTICKS, TOMS	19.00		19.00	52
WINGS FULL-CUT - TOMS		R	17.00	120
WINGS, V-TYPE, TOM		F	19.30	260
TAILS				
MECHANICALLY SEPARATED 2/	19.00		19.00	52
THIGH MEAT - FROZEN		F	60.00	80

NOTICE

MONDAY, JANUARY 20, 2003

NO REPORT ISSUED DUE TO MARTIN LUTHER KING, JR HOLIDAY

1/ CODES FOR LAST SIGNIFICANT TRADE (L.S.T.): M=MONDAY T=TUESDAY W=WEDNESDAY R=THURSDAY F=FRIDAY
2/ Product contains 15-20% fat with skin added.

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